

## Africa's Economic Performance: Limitations of the Current Consensus

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**I**t is hard to find an economist, social scientist, or journalist who does not take a jaundiced, indeed a tragic view of development in sub-Saharan Africa. People at all ends of the ideological spectrum appear to agree on a pessimistic prognosis. They commonly use a language that evokes disappointment, moralistic outrage, repugnance and a barely concealed, if not overt, contempt for African barbarism. The predominant and stomach-churning metaphors are medical/biological: blood, rot, scars, mutilation, plagues, deterioration, starvation, and pathological crises are said to be endemic.

These views are easily illustrated. Among the journalistic accounts, Stone (1996) observes that “with much of Africa in a bloody mess, we are back to where we were before . . . the 1880s;” Kaplan (1996) refers to “a process of slow rot;” while the *Financial Times* sees, “A continent under intolerable strain, poised between crisis and catastrophe” (Holman, 1996). A recent book on development theory argues that “Africa is . . . a tragedy that is already far advanced . . . millions face Hobbesian existences in conditions of accelerating environmental and social degradation: famines, chronic malnutrition, the collapse of health services, the erosion of education, reappearing endemic and epidemic diseases, aids, endemic criminal violence, civil wars, genocide . . . barbarism . . . these are the facts of the African tragedy” (Leys, 1996, p. 188). Even more recently, in an important contribution to world economic history, Landes (1998, p. 499) observes: “All the ills that have hurt Latin America and the Middle East are exponentially compounded in sub-Saharan Africa: bad government . . . poverty, hunger, disease, overpopulation—a plague of plagues.”

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The World Bank's econometricians and economists do not dissent. They highlight "ethnic fractionalism," "traditional ways of thinking" and a "crisis of capability," arguing that Africa's economic history since 1960 is "reflected in painful human scars" and that "it fits the classic definition of tragedy: potential unfulfilled, with disastrous consequences" (Easterly and Levine, 1997, p. 1). Another World Bank (1996, p. 8) publication concluded: "Progress in reducing poverty in the region as a whole has, for the most part been negligible."

One aim of this paper is to suggest that these views, which are also prevalent within Africa, are an inadequate starting point for a serious analysis of the political economy of development in Africa. The approach is far too simple; it fails to appreciate the complexity of processes of social and economic change in very poor economies, focusing too exclusively on only one aspect of the peculiar and unappealing dynamics of capitalist development—the aspect of capitalist accumulation that Marx (1853) so precisely described as "sickening to human feeling." There are, in fact, other important features of the recent economic history of Africa that have been neglected by the protagonists of nausea, marginalization and disdain. Theirs is, in my view, an ahistorical rush to judgement, and a critical evaluation of their pronouncements is overdue. Some of the more positive aspects of Africa's performance will be discussed below. Historical and micro-survey evidence, as well as the standard data from international organizations, is used to reject "too uniform and unilateral diagnoses" (Hirschman, 1998, p. 88), and to support less pessimistic conclusions.

A second aim of this paper is to examine the relevance for sub-Saharan African economies of the "New Development Strategy" recently proposed by the World Bank. For many years the policy and research agenda for development economists was dominated by a "Washington consensus." Now, there is an attempt to forge a "post-Washington consensus," while ignoring most of the economic research that is critical of the old consensus. I will argue that the post-Washington consensus has by no means overcome the inadequacies of the Washington consensus as a guide to understanding development processes in Africa.

The paper concludes by emphasizing a contrast between the ahistorical perspective that clouds many analyses of Africa's performance and an alternative, non-orthodox methodological and theoretical perspective. This alternative perspective may provide the basis for greater clarity in debates on the political economy of development in sub-Saharan Africa.

## **Progress in Sub-Saharan Africa**

Part of what is meant by human progress is that the probability of dying at an early age is reduced; people can expect to live for much longer. A clear indicator of social and economic crisis would be a large decrease, continuing for several years, in life expectancy, or a jump in infant mortality. Some countries have recently

experienced such unambiguously catastrophic trends. For example, about 150 million people have had the misfortune to live in an area where male life expectancy at birth fell between 1989 and 1995 by as much as six years, representing about 1.5 million premature deaths, while infant mortality rates increased significantly (Field, 1995, p. 1472; WDI, 1997, p. 87; Becker and Bloom, 1998). Over the same short period, real GDP fell by about 50 percent and total agricultural production declined by almost 20 percent (United Nations, 1996, p. 219).

Trends in the most basic indicators of human welfare in sub-Saharan Africa have been very different from those quoted above for the Russian Federation. There has been a remarkable decline since independence in the risks of death faced by people in this region. Life expectancy in 1995 was well over ten years longer than it had been in 1960, when life expectancy for most Africans was certainly less than 40 years. In 1950, life expectancy was probably only about 30 years, whereas a girl born in 1995 could expect to live until the age of 54 (WDI, 1997). Female life expectancy in England and Wales in the early 20th century was five years shorter than this; that is, 49 years in 1901 (Baines, 1994, p. 31). Moreover, it has been estimated that life expectancy at birth in sub-Saharan Africa would have been considerably higher in the absence of AIDS, especially in the nine countries with HIV prevalence rates of 10 percent or more, where it would have reached 58 years by 1995 (United Nations, 1999).<sup>1</sup>

In recent decades, a much smaller proportion of African children have been dying in infancy. The limited historical information on under-five mortality rates before 1960 suggests a truly horrifying picture: no less than half of all babies died not long after birth in Kenya and Zimbabwe before the 1920s (Fetter, 1990, p. 53; Mott, 1982). In Burkina Faso, the 1948 under-five mortality rate was still close to that level—well over 400 per thousand (Hill, 1993, p. 181). The declining trend in under-five mortality rates in sub-Saharan Africa is, however, now well established and has been rather dramatic in the period since 1960, as shown by the experience of the countries in Table 1. The under-five mortality rate fell by about half, on average, for the countries shown in the table, which account for almost 70 percent of the population of sub-Saharan Africa. In a longer historical perspective, evidence from Ghana indicates that in 1935 the under-five mortality rate was about three times greater than the present rate (Hill, 1993, p. 181).

The significant improvement in human welfare suggested by Table 1 is certainly not inconsistent with either development economists' theoretical understanding of the causal mechanisms underlying mortality reductions, or with a wealth of other evidence concerning welfare and African political economy. This paper will highlight a small selection of this evidence concerning progress, and will focus initially on some of the changes that have benefited women, because these

<sup>1</sup> The AIDS epidemic in the 29 "hardest-hit" sub-Saharan African countries will not cause a decline in the population of any of these countries and, despite its devastating social impact, average life expectancy in these countries is projected to increase between 2005 and 2015 (United Nations, 1999).

*Table 1*  
**Under 5 Mortality Rate in Selected Sub-Saharan  
 African Economies, 1960 and 1995**

<i>Country<sup>a</sup></i>	<i>Under 5 Mortality Rate in 1960</i>	<i>Under 5 Mortality Rate in 1995</i>
Botswana	170	52
Burkina Faso	318	164
Burundi	255	176
Cameroon	264	106
Congo	220	108
Côte d'Ivoire	300	150
Ethiopia	294	195
Ghana	213	130
Kenya	202	90
Madagascar	364	164
Malawi	365	219
Namibia	206	78
Nigeria	204	191
Rwanda	191	139
Sudan	292	115
Tanzania	249	160
Zaire	286	185
Zimbabwe	181	74

<sup>a</sup> The population of the selected countries amounts to 69 percent of the total population of sub-Saharan Africa.

*Source:* UNDP (1990, p. 134); WDI (1997, p. 86); UNICEF (1997).

are of crucial importance in their own right, and also because too few economists have acknowledged that sub-Saharan Africa's performance has been superior to that of many other developing countries with respect to certain improvements in female welfare.

Fifty years ago, women in Africa were very unlikely ever to attend school; well over 90 percent of adult females were illiterate (Hyde, 1993, p. 104; IFAD, 1992, p. 449; UNESCO, various years). In contrast, female literacy had already reached much higher levels by the early 1950s in the most rapidly industrializing developing economies. For example, in Chile about 80 percent of adult females were literate at that date; in Mexico and the Philippines, more than half were literate; in Thailand, more than a third; in Singapore, more than a fifth (McGinn et al., 1980, Table 17). In the mid-19th century, only about a third of adult females were literate in some English and Welsh counties (Horn, 1994, p. 73). By 1995, almost half of all adult females in sub-Saharan Africa were estimated to be literate, reflecting an achievement that many other developing countries in south Asia, the Middle East and north Africa could not match. Thus, the proportion of adult females who were estimated to be literate in sub-Saharan Africa in 1995 was 48 percent, as compared to 36 percent in the south Asian region (24 percent in Pakistan; 26 percent in

Bangladesh; 14 percent in Nepal; 15 percent in Afghanistan) and substantially lower than sub-Saharan rates in Morocco, Egypt and Iraq (UNICEF, 1997; Ahuja and Filmer, 1995, p. 22).

Improvements in literacy required an expansion in the opportunity to attend primary schools. In 1949–50, this opportunity was not open to many children: Total (male plus female) gross primary enrollment rates were only of the order of 6 percent in French West Africa; in Tanzania they were about 10 percent; in Nigeria they were about 16 percent.<sup>2</sup> Initial conditions were, therefore, very different from those in the most dynamic east Asian economies where, for example, by the late 1930s in Taiwan the primary enrollment rate was already close to 80 percent (Brautigam, 1996, p. 88), or in Korea which had achieved enrollment rates of 45 percent by the early 1940s (Booth, 1997, p. 3). Nevertheless, in sub-Saharan Africa between 1960 and the early 1990s the proportion of the female age group attending primary school exploded, as shown in Table 2. The number of girls enrolled in primary schools has expanded at an historically unprecedented rate for more than two decades, rising by about 10 million pupils between 1980 and 1993 alone (UNESCO, 1995, Table 2.4). Some large countries in the region, such as Nigeria, Kenya and Tanzania have seen a five-fold increase in the annual number of girls enrolled in primary schools since 1970 (World Bank, 1996a). Of course, the quality of much of the data on literacy and primary schooling is problematic. Nevertheless, the trends seem clear enough.

There has also been a dramatic expansion of secondary school provision for African females. In the early 1950s, when there were over 80,000 female secondary pupils in South Korea (UNESCO, 1963), most African countries had fewer than 500 girls enrolled in secondary schools. In Mozambique, for example, there was one secondary school in the capital city in 1930 and the records show that precisely one girl was enrolled (Newitt, 1995, p. 440). By 1950, the unimpressive total was 321, but by the early 1990s more than 66,000 girls were enrolled at the secondary level in Mozambique (UNESCO, 1963 and 1996, pp. 3–161). Until 1960, female secondary enrollment ratios remained extremely low in sub-Saharan Africa, varying between 4 percent and 0.1 percent. By 1990, as shown in Table 2, the female secondary enrollment rate had increased substantially in every country: to 29 percent in Ghana, 25 percent in Kenya, 17 percent in Nigeria and 20 percent in Sudan. Even before that date, the mean rate for a sample of 35 sub-Saharan African economies had reached 19 percent (Appleton and Mackinnon, 1996, p. 110). In a context of rapid population growth, this represented the provision of many millions of new

<sup>2</sup> The Gross Primary Enrollment Rate is the ratio of children of all ages enrolled in primary school to the country's population of primary school-age children. In areas where some pupils are older or younger than the country's standard primary school age, the Gross Primary Enrollment Rate may exceed 100 percent. For example, although many countries consider primary school age to be 6 to 11 years, some children aged 14 or older may still be attending primary school, because of a delayed start, or the repetition of some years of primary schooling.

Table 2

**Female Gross School Enrollment in Selected Sub-Saharan African Economies, 1960–1994**

<i>Country</i>	<i>Primary School</i>		<i>Secondary School</i>	
	<i>1960 (%)</i>	<i>1990–94 (%)</i>	<i>1960 or Earliest Available Date (%)</i>	<i>1991 (%)</i>
Botswana	43	120	3 <sup>b</sup>	57
Burkina Faso	5	30	1 <sup>b</sup>	5
Burundi	10	62	1 <sup>b</sup>	4
Cameroon	37	93	2 <sup>b</sup>	23
Côte d'Ivoire	22	58	1	16
Ethiopia	3	19	0.1	11
Ghana	31	70	3	29
Kenya	29	91	2	25
Lesotho			4 <sup>b</sup>	30
Madagascar	57	72	5 <sup>b</sup>	18
Malawi	26	77	0.3	3
Mozambique			1	5
Namibia				47
Nigeria	31	82	1	17
Rwanda	29	76	1 <sup>c</sup>	7
Senegal			2	11
Sierra Leone			3 <sup>b</sup>	12
Sudan	11	45	2 <sup>b</sup>	20
Tanzania	16	69	1	4
Uganda			2 <sup>b</sup>	8
Zaire	32	58	4 <sup>c</sup>	15
Zambia			1	26
Zimbabwe	65	114	4	45

<sup>a</sup> The population of the selected countries amounts to 83 percent of the total population of sub-Saharan Africa.

<sup>b</sup> 1965

<sup>c</sup> 1970

Sources: UNICEF (1997); World Bank (1996a).

places for girls in secondary education in the space of a few years. Indeed, the proportion of all secondary pupils who are female (44 percent) is now larger in sub-Saharan Africa than in south Asia or in China (37 percent and 43 percent, respectively) (UNESCO, 1995, p. 107).

One of the reasons for emphasizing these positive trends in the expansion of secondary school provision is that secondary schooling for girls appears to have very powerful effects in reducing both infant mortality and fertility, particularly in countries with relatively low initial enrollment rates (Subbarao and Raney, 1993). Despite the popular perception of stationary fertility or very limited fertility decline in sub-Saharan Africa, recent evidence shows fertility declining in 22 countries, with moderate to large recent declines in fertility,

including declines of 1.5 children per woman or greater occurring in 10 countries (Cohen, 1998, p. 1436).

The accelerated provision of primary and secondary schooling for African females after 1960 has been followed, in the period since 1980, by very rapid annual rates of growth of female enrollment in tertiary education. Female tertiary enrollments have been growing faster in sub-Saharan Africa, at 12.4 percent per annum, than in any other region in the world. Thus, in the Arab States, Latin America, east Asia and south Asia, female enrollment in tertiary education increased by a factor of two or three between 1980 and 1994; in sub-Saharan Africa, over the same period, these enrollments quintupled (UNESCO, 1996, Table 2.8).

Compared to other poor regions, sub-Saharan Africa has also achieved superior results in terms of some more basic, biological indices of female welfare. In marked contrast to the dismal south Asian (or the Latin American) evidence, a review of the weight and height-for-age data from sub-Saharan Africa indicates that “females, whatever their age, are not at a disadvantage vis-à-vis males in anthropometric status” (Svedberg, 1990, p. 482). Furthermore, unlike Bangladesh, India, or even France in the 1930s, in sub-Saharan Africa: “Most observations, including the most reliable (multi-round surveys), conclude that there are no significant differences in mortality by sex” (Gbenyon and Locoh, 1992, p. 247).

Women (and their children) have benefited from improved access to drinking water in rural areas of sub-Saharan Africa, and they have had access to an expanded communications infrastructure. These improvements are consistent with and, indeed, probably contributed to the increases in life expectancy and falls in infant mortality discussed earlier. The latest available estimate is that about one-third of the total population of rural sub-Saharan Africa now has access to safe water and to sanitation, whereas in 1970 the proportion was below 10 percent in several sub-Saharan African countries (UNICEF, 1997).

Other aspects of Africa’s physical infrastructure have also improved. For example, the length of roads has expanded significantly, as shown in Table 3, as has the length of “paved roads” (World Bank, 1994, pp. 140–41). In 1970, the median density of paved roads in sub-Saharan Africa was 3.8 kilometers per thousand square kilometers; by 1990, the density had increased to 8.9 kilometers per thousand square kilometers (Karshenas, 1998, Table 16). The production of electricity in sub-Saharan Africa has also increased, by 56 percent between 1980 and 1994. The expanding transport and power network facilitated Africans’ access to other important means of communication, cultural exchange and information, including newspapers, radios and, more recently, televisions, as shown in Tables 3 and 4. Once again, an historical perspective may be helpful: the daily circulation of newspapers in Nigeria in the early 1990s was close to two million. The most important newspaper in 1914, the *Lagos Weekly Record*, had a total circulation of only 700 (Iliffe, 1995, p. 224).

In short, there is some strong and internally consistent evidence of improve-

Table 3

**Increase in the Length of Roads and in the Circulation of Daily Newspapers in Selected Sub-Saharan African Economies,<sup>a</sup> 1960–1990**

<i>Country</i>	<i>Length of Roads Percentage Increase 1970–90</i>	<i>Circulation of Daily Newspapers Percentage Increase 1960–90</i>
Burundi	110	900 <sup>b</sup>
Cameroon	50	614
Côte d'Ivoire	40	1025
Ethiopia	426	67
Ghana	73	145
Kenya	62	285
Lesotho	177	1300 <sup>b</sup>
Madagascar	87	14
Malawi	20	39 <sup>b</sup>
Nigeria	27	534
Rwanda	99	150 <sup>b</sup>
Swaziland	42	140 <sup>b</sup>
Tanzania	214	780
Uganda	4	674
Zaire	4	433
Zambia	15	338

<sup>a</sup> The population of the selected countries amounts to 69 percent of the population of sub-Saharan Africa.

<sup>b</sup> = 1975–1990

Source: World Bank, 1996a; UNESCO Statistical Yearbooks, 1963–1996.

ments in human welfare, and especially female welfare, across much of Africa. These improvements are most obvious when one compares recent data with the fragmentary evidence on mortality, education and infrastructure for the earlier decades of the twentieth century. The African picture appears, therefore, to be more complex than suggested by the commonly quoted, standard macroeconomic indicators, such as growth rates of GDP.

## **Agricultural Development in Sub-Saharan Africa**

One of the most important and poorly measured components of GDP in this region is agriculture, which is currently estimated to account for between 30 and 55 percent of GDP in most sub-Saharan African countries. Agriculture is of great importance in Africa. It is the sector where 70 percent of Africans live and where women account for more than half of all recorded employment. The sector is also an important source of foreign exchange earnings, contributing over 50 percent of



Table 4

**Radios and TVs per Thousand People in Africa (Excluding Arab States), 1950–1995**

	1950	1970	1975	1980	1985	1990	1995
Radios	7	33	52	88	133	145	
TVs		1.4	2.2	10	14	23	36

Source: UNESCO Statistical Yearbook, 1963–96.

total exports in recent years in 20 sub-Saharan African countries (UNCTAD, 1998, p. 135).<sup>3</sup>

Unfortunately, the performance of African agriculture is widely regarded as unsatisfactory and growth trends are believed to be at least as dismal as those for output as a whole. For example, the U.N. Food and Agriculture Organization is of the view that “the performance of agriculture has been faltering in recent years, following a disquieting long-term trend” (United Nations, 1996, p. 100; see also Hawkins, 1997). Other studies refer to “declining agricultural output” (Iliffe, 1995, p. 266) and stress the absence of technological change in agricultural production over long periods (Iliffe, p. 216; Platteau, 1988, p. 48; André and Platteau, 1996, p. 11; Jamal, 1993, p. 83). The African Development Bank (1998, p. 34) believes: “Over the long term, the performance of the agricultural sector has been poor, with . . . increased population growth contributing to its slow expansion.”

It is difficult to reconcile these pessimistic statements about African agriculture with the evidence of overall progress in well-being contained in the previous section. If the performance of the agricultural sector had been so very unsatisfactory, then it would be hard to believe that the standard of living, or the nutritional status of millions of rural mothers and their babies, was improving; one would then face great difficulty in presenting a convincing account of the apparent decline in under-five mortality rates. Part of the problem may be accounted for by the many flaws in the data on African agriculture (Sender and Smith, 1986, p. 100–101). Nevertheless, it is possible to present a less pessimistic analysis of the most widely used agricultural statistics, showing that these are not inconsistent with other evidence of progress. Indeed, when examined from an appropriate historical perspective, the available sources suggest that African agricultural growth has been as rapid as could reasonably be expected.

The compound growth rate of agricultural production in sub-Saharan Africa as a whole over the 31-year period 1965 to 1995 was 2.34 percent. In eight countries, accounting for close to half of the total population of sub-Saharan Africa, the

<sup>3</sup> Estimates of macroeconomic aggregates for sub-Saharan Africa are notoriously unreliable, but particular caution is required when using trade statistics (Yeats, 1990).

compound growth rate over this period was even faster—above 2.6 percent per annum. (In Nigeria it was more than 3 percent per annum and in Côte D'Ivoire over 4 percent per annum.) In the region as a whole, the growth in agricultural output accelerated after 1984, increasing to 3.1 percent per year between 1984 and 1996 (UNCTAD, 1998, p. 143). Relative to the rate of growth of agricultural output in the now advanced capitalist economies (including Japan) during the early stages of their industrialization, when growth rates were generally below 1.5 percent per annum for long periods (Crafts, 1985, p. 42; Yamada and Hayami, 1979, p. 86), this performance should not, in my view, be regarded as unimpressive.

If one disaggregates the agricultural production index and examines the output of individual crops, it is not hard to find even more remarkable growth statistics. Over the same 31-year period, FAOSTAT data show that maize production increased at 3.25 percent per annum and rice production at 3.4 percent per annum. Unsurprisingly, the growth rate for some of the newer, higher-value commodities produced in the agricultural sector has been even faster. For example, poultry meat production (4.6 percent per annum); tea production (5.6 percent per annum); fruit and vegetable exports (over 5 percent per annum); and, most spectacular, paper and paperboard production (over 9 percent per annum). These growth rates were achieved in the context of very rapid urbanization. West African urbanization, for example, “occurred at three times the rate achieved by Europe during the industrial revolution . . . in comparative and historical terms the feeding of Nigerian towns across great waves of macroeconomic and political fluctuations has been an impressive achievement of productive technique and social organization” (Guyer, 1997, p. 4). Urbanization was not quite so rapid in other areas, but in sub-Saharan Africa as a whole the agricultural workforce has achieved significant productivity gains in recent years. Thus, over the period 1980 to 1995, the growth of the economically active population in agriculture was, on average, considerably slower than the growth of agricultural production: 2.2 percent annually versus 2.8 percent (FAOSTAT, 1997).

Further evidence of rising factor productivity and of technological change in the agricultural sector is readily available at both the macro- and micro-level. It has not been the case that African agricultural output has increased simply because of an extension in the area cultivated, although such an expansion certainly occurred. For example, there was a 25 percent expansion in the area under permanent crops between 1965 and 1995 (FAOSTAT, 1997). In the countries for which data is available, the per hectare yields of a range of crops, including maize, rice, wheat, potatoes, cassava and tea, have increased significantly, as shown in Table 5. A recently compiled international data set shows substantial increases in cereal output per hectare in sub-Saharan Africa between 1961 and 1990 (Karshenas, 1998).<sup>4</sup>

In Europe, for much of the 19th century, rates of growth of cereal yield per

<sup>4</sup> For evidence on technological dynamism from micro-surveys, as opposed to FAO data sets, see Wiggins (1995), Tiffen and Mortimore (1994), McMillan et al. (1998), and Peters (1996).

Table 5

**Increases in Yield (Hg per Hectare) for Selected Crops,  
1961–63 to 1994–96**

	<i>Average Yield 1961–1963</i>	<i>Average Yield 1994–1996</i>	<i>Percentage Increase in Average Yield</i>
Wheat	12,498	17,917	43.4
Cassava	52,818	67,910	28.6
Maize	8,135	12,801	57.4
Potatoes	65,396	80,404	22.9
Rice	12,225	20,163	64.9
Tea	7,274	14,790	103.3

*Note:* The sub-Saharan African countries covered include all those for which the full FAOSTAT data series 1961 to 1996 is available.

*Source:* Calculations from FAOSTAT (1997).

hectare appear to have been rather slower than those recently achieved in sub-Saharan Africa (Bairoch, 1997, pp. 46–7). Of course, grain output per hectare was very much higher and has increased at a much faster rate in many other developing regions, particularly in east Asia, in recent decades. However, the recent agricultural performance of these developing economies was achieved on the basis of initial structural conditions that cannot legitimately be compared to those in rural sub-Saharan Africa in the second half of the 20th century. In east Asia, for example, over one-third of the arable land is irrigated, compared to about 7 percent in sub-Saharan Africa, reflecting centuries of prior investment in improved land infrastructure (Hayami and Platteau, 1997).

It may be possible to begin to account for increases in yields in sub-Saharan Africa, as well as to illustrate some important changes in technique, by noting that the area under irrigation increased by over two million hectares (about 75 percent) between 1965 and 1993 (FAOSTAT, 1997). The consumption of fertilizers and the use of tractors also increased significantly in many countries, as shown in Table 6. The World Bank's estimate of fertilizer consumption per hectare of arable land in sub-Saharan Africa shows an increase in terms of grams of plant nutrient from 33 in 1970–71 to 135 in 1995 (Cleaver and Donovan, 1995, p. 39; WDI, 1997, Table 4.5). Fertilizer production also increased in sub-Saharan Africa over the period 1965 to 1995, at a compound growth rate of close to 10 percent per annum (United Nations, 1996).

Of course, many other factors probably contributed to the change in the level of the productive forces in agriculture, including the growth in the supply of skills relevant to the adoption of the new techniques. It has been estimated that the number of graduate scientists working in the national agricultural research systems in sub-Saharan Africa increased by 600 percent over the last three decades (Delgado, 1996, p. 153). The total number of full-time-equivalent agricultural researchers at universities has also increased, at an annual average rate of 10 percent in

*Table 6***Increases in Fertilizer Consumption and Tractor Use, 1961–1994**

<i>Country</i>	<i>Percentage Increase in Number of Tractors 1961 to 1994</i>	<i>Percentage Increase in Nitrogenous Fertilizer 1961 to 1994</i>
Angola	1,188	300
Botswana	991	
Burkina Faso	366	
Burundi	8,400	
Cameroon	1,513	900
Côte d'Ivoire	4,644	1,881
Ghana	310	2,757
Kenya	118	1,867
Lesotho	1,250	9,900
Madagascar	211	626
Malawi	617	493
Mozambique	167	100
Namibia	93	
Nigeria	2,280	50,035
Rwanda	350	
Senegal	189	176
Sierra Leone	450	
Sudan	518	118
Swaziland	548	371
Tanzania	–60	1,727
Uganda	795	25
Zaire	280	4,067
Zambia	146	620
Zimbabwe	55	403

*Source:* Calculations from FAOSTAT (1997).

sub-Saharan Africa, over the last three decades, while a rapidly growing proportion of these researchers have achieved postgraduate qualifications (Pardey, Roseboom and Beintema, 1997, p. 412). Countries that in the 1950s contained only a handful of graduates—Tanzania, for example, had 15 at that time—now have the potential to benefit from the skills of thousands of scientists and engineers. Moreover, the potential contribution of the new mass of literate, young, culturally liberated, mobile and organizationally skilled rural Africans should not be underestimated; their political capacity to demand and to achieve progress for themselves and for their children has barely begun to be tapped.

More attention needs to be paid to the emergence of these new political forces in specific countries and to the design of development strategies that are capable of mobilizing them to achieve accelerated improvements in standards of living. Thinking about development in Africa requires holding at least two sets of ideas in one's head at the same time. It is not sufficient to stress the ubiquity of failure,

malnutrition, disease, predatory states and war, or to become overwhelmed by revulsion in the face of the misery still experienced by so many Africans. In addition, it must also be recognized that some important aspects of the lives of millions of ordinary people have been transformed over the last five decades. It is on the basis of a clear perception of the complexity and unevenness of all these processes, as well as a critical analysis of the consequences of economic policies in the past, that politically realistic development strategies can be formulated.

## **Implications of the “Post-Washington Consensus” for Sub-Saharan Africa**

For most of the last two decades, development strategy has been dominated by a “Washington consensus” viewpoint that encapsulated the economic wisdom of the U.S. Treasury, the International Monetary Fund and the World Bank. This consensus was certainly not based on an analysis of African policy and performance, although the Washington institutions have not dissented from the widely held conclusion that Africa has performed extremely badly, and have repeatedly urged the application of the consensus policies as a solution to the African “tragedy.” These policies were required because poverty and stagnation in developing countries were, according to the Washington consensus, a result of following a policy regime that impeded the operation of market forces. Over the period 1979 to 1996, most countries in sub-Saharan Africa have been persuaded to design their macroeconomic policies within the framework of IMF conditionality (Centre for Development Policy and Research, 1998).

It has sometimes been suggested that the Washington consensus was a specific response to the experience of Latin America in the early 1980s, but this is unconvincing. The developing country tail did not wag the U.S. Treasury dog. Rather, an alternative and more persuasive account of the timing and nature of the rise of the Washington consensus would seek its origins in the ideological shift that occurred within the United States, the United Kingdom, and many other developed economies during the late 1970s, constituting an important element of the “employers’ offensive” associated with Reagan and Thatcher (Brenner, 1998, p. 181).<sup>5</sup> The policy measures proposed by the Washington consensus were liberalization of domestic and international markets, macroeconomic stabilization, and privatization. The consensus view was that the economic performance of all developing economies could be improved by a reliance on market forces and the reduction of state intervention and expenditure to a minimum.

<sup>5</sup> The intellectual roots of the consensus have been identified by Standing (1999, p.2): “[I]n the 1970s . . . the Chicago school of law and economics came into ascendancy, evolving through monetarism and supply-side economics, via the rejection of Keynesian economics, into what became the Washington consensus.”

The consequences of these policy prescriptions were always predicted by heterodox economic theory to be harmful to the development prospects of poor countries; development economists as well as nationalist politicians have criticized the ideology and operations of the World Bank and the International Monetary Fund in sub-Saharan Africa for a great many years.<sup>6</sup> One of their arguments was that the consequences of following consensus deflationary macroeconomic policy in the name of stabilization would be a dramatic reduction in investment rates and growth. In fact, private sector investment in sub-Saharan Africa has not behaved in anything like the way that the consensus analysis of incentives anticipated. Between 1990 and 1996, private investment in Africa remained below the levels reached in the 1970s and 1980s, following the trend in public investment which, as a share of GDP in the 1990s, has fallen to much less than half of the level reached in the 1970s (Glen and Sumlinsky, 1998). Public investment as a share of GDP in sub-Saharan Africa is now much lower than in any other region of the world. This has had negative effects on both the volume and the productivity of private investment in the region, because of the well-established complementarity between these two categories of investment (UNCTAD, 1998, p. 125).

Moreover, those sub-Saharan African economies that followed the consensus policy advice most closely and, therefore, were defined by the World Bank as “core adjusters” in 1993, because they were believed to have followed Bank policy advice most successfully, failed to grow as fast as a number of other, less compliant African countries over the subsequent five years (UNCTAD, 1998, pp. 124–6). Of course, there are serious methodological difficulties in attempting to establish a clear relationship between the World Bank’s Structural Adjustment Programs and declines in investment or growth, but it is not acceptable merely to shrug aside the claims for such a relationship by asserting that current lower levels of investment are more efficiently allocated than the higher levels achieved in Africa in the past, or on the grounds that the decline represents an “investment pause” that will rapidly be reversed once stabilization has been achieved. The recent acceleration in the annual average growth rates of GDP in sub-Saharan Africa, from 1.7 percent in 1980–90 to 2 percent between 1990 and 1996 (WDI, 1998), has not been accompanied by levels of investment required to sustain accelerated growth.

Nor is it acceptable for World Bank officials to continue to claim that “countries that pursue appropriate policies have a better chance of economic success than those that do not” (Stiglitz, 1997, p. 1), when the “appropriate” policies are defined as those recommended by the Washington consensus. This claim is supported only by reference to the Bank’s own contentious study of the impact of adjustment policies in sub-Saharan Africa (World Bank, 1994); it ignores the work that has thoroughly discredited this particular study (Mosley, Subasat and Weeks,

<sup>6</sup> Some earlier criticisms of the Washington institutions role in Africa are discussed in Sender and Smith (1986a). For a recent critique of the impact of the World Bank’s adjustment programs on agricultural performance in Africa see UNCTAD (1998, pp. 173–5).

1995). In addition, far too little attention has been given to the accumulation of evidence suggesting a causal relationship between the macroeconomic stabilization programs of the International Monetary Fund and declines in investment ratios (Bird, 1996, p. 1758). Over the period 1990 to 1995, sub-Saharan African economies defined by the IMF as “Recent Strong Performers” have consistently shown lower investment to GDP and private investment to GDP rates than the average for sub-Saharan Africa (Fischer, Hernandez-Catá and Khan, 1998, Table 2).

However, attention is now being paid to some of the criticisms of the old consensus. Recently, the analytical framework for the lending operations of the Washington institutions has been re-examined at a senior level within the World Bank. Joseph Stiglitz, the Senior Vice-President and Chief Economist of the Bank has, in a series of publications in 1997 and 1998, set himself the task of defining “An Agenda for Development for the Twenty-First Century” (Stiglitz, 1997, 1998a, b).<sup>7</sup> He aims to provide the foundations for “an alternative paradigm, especially one relevant to the least developed country” (1998b, p. 5)—a new intellectual consensus of particular relevance to sub-Saharan Africa. This is an important initiative. The World Bank has for some time been the major donor agency in sub-Saharan Africa, playing an increasingly dominant role in the allocation of concessional finance since the mid-1980s. It has the capacity to influence the scale and direction of all external capital inflows to the region, as well as to monopolize policy research and formulation.

The Bank itself recognizes its capacity to influence policy; it now emphasizes its central task as providing the “knowledge” to devise development strategies (World Bank, 1998). Others have emphasized the Bank’s ability to influence policy debates within developing countries and have been disquieted by the degree of monopoly it has over research, as well as by its attempts to “disguise a multimillion dollar ideological operation as research” (Taylor, 1997, p. 147; Amsden, 1997; Tjønne-land, 1998, p. 72).

At first blush, the Stiglitz critique of the Washington consensus appears fundamental, signifying a real shift in policy and in the analytical methods underlying policy formulation. One interpretation of Stiglitz’s recent papers, as well as of a range of other World Bank work in the period since the publication of “The East Asian Miracle” (World Bank, 1993), is that they represent an intellectual and ideological upheaval in the Bank, perhaps even “the demise of the Washington consensus” (Fine, 1999, p. 1). However, other long-standing critics of the Washington consensus have been less impressed with scope and nature of the internal

<sup>7</sup> Amartya Sen, an influential intellectual competitor with equal or greater claims to undertake the responsibility for shaping the contours of the development debate in the future, has also recently offered to provide a road map to guide “Development Thinking at the Beginning of the 21st Century” (Sen, 1997). There are important similarities of perspective between Stiglitz and Sen that will be discussed in the conclusion to this paper.



re-examinations of the old orthodoxy, dismissing the new post-Washington consensus as “a repackaging and updating of neoliberalism” (Hildyard, 1997, p. 2).

The conclusion reached by Stiglitz (1998a, p. 17, emphasis added) is, “Although the Washington consensus provided some of the foundations for well-functioning markets, it was incomplete and *sometimes* even misleading.” Thus, he argues that the problem was that the consensus was too “narrow;” it was reasonably well conceived, but incomplete. He does not discard the core analytical methods and policy conclusions of the consensus, nor does he admit that it was fundamentally misconceived. The limited implications for policy change are well illustrated in his discussions of the role of the state in development.

Stiglitz (1998a, p. 10) correctly notes that the Washington consensus policies “were based on a rejection of the state’s activist role and the promotion of a minimalist, non-interventionist state.” As an alternative, he offers the far from novel neoclassical argument that “government has an important role to play in responding to market failures, which are a general feature of any economy with imperfect information and incomplete markets.” But he then adds the crucial qualification that not all governments have the capacity to respond effectively to market failures, and that the role of the state should match its “capability.” In effect, a static and ahistorical conception of “capacity” and “capability” provides a renewed rationale for a matching, minimalist state in sub-Saharan Africa, where state “capacity” is said to be small and “capability” is rapidly diminishing (World Bank, 1997, p. 14).<sup>8</sup> Moreover, given the initial condition of an assumed deficiency of “capacity,” the available policy options for state intervention are reduced to the familiar limited menu: the World Bank should try to get governments better focused on fundamentals like education, health, roads and law and order.

Insisting that African states lack the capacity for anything other than a limited range of interventions to support the familiar “fundamentals” provides support to another set of politically convenient arguments. Recent World Bank publications by Burnside and Dollar (1997) and Dollar and Svensson (1998) reach the comforting conclusion that where structural adjustment lending has failed, or in the many cases where aid has not had a positive influence on economic growth, the blame lies with the “incapacity” of the unfortunate countries concerned, rather than with the quality of aid policy design and implementation in Washington. The argument is that aid has not affected the policies adopted in poor countries, but some countries have demonstrated the capacity to adopt “good,” growth-supporting policies. These capable countries are not always rewarded by aid flows for their espousal of consensus policies, especially by the bilateral donors whose disbursement policies are described as “inconsistent,” but “when good policy and aid flows happen to coincide the outcome has been very good” (Burnside and Dollar, 1997, p. 30). The

<sup>8</sup> This negative assessment of sub-Saharan African states has been clearly expressed as follows: “The drastic impairment of the state looks very serious . . . while its past and current weaknesses are being compounded over time” (Aron, 1997, p. 25).



policy implication, consistent with the conclusions reached by Stiglitz, is that there is no need to change fundamentally the policy prescriptions associated with aid. One can continue to recommend the same old consensus policies, but aid should be directed only to those countries that have already demonstrated the capacity to adopt "good" policies.

This amounts to an attempt to shift the blame, to deny the connection between the content and design of the Bank's structural adjustment lending and the high proportion of such policy reform programs that have failed by any criteria.<sup>9</sup> It has been established that a large number of adjustment loans were unsuccessful in low-income countries, particularly in Africa, and it is suggested that adjustment lending failed because "African countries have characteristics that are not conducive to reform." The problem lies with the nature of African states, too many of which have not been democratically elected, are politically unstable, and "ethnically fractionalized" (Dollar and Svensson, 1998, pp. 16–17).<sup>10</sup> The policy conclusion is that, since so many African states will continue to lack capacity, or fail to exhibit the characteristics of "promising candidates for adjustment support," they should not be selected as the beneficiaries of further adjustment lending. Thus, it is recommended that not only should African states match the scale and scope of their interventions to their limited capacity, but it is also suggested that allocating additional concessional flows is unlikely to improve the capacity of these states to promote development.<sup>11</sup> The minimalist state remains firmly on the policy agenda.

But inadequate state capacity in sub-Saharan Africa has been a self-fulfilling prophecy; the outcome of a bet rigged by those in a strong position to influence results. The Washington institutions have consistently demanded initiatives that impaired governments' capacity for policy formulation and implementation. In Africa, civilian government employment accounts for a relatively small proportion of total employment, compared to any other region of the world, but the Washington institutions insisted that African states were "overextended" by the 1980s. The policies they promoted in a continuing attempt to reduce fiscal deficits

<sup>9</sup> In a data set covering 220 reform programs sponsored by the World Bank, more than a third were judged to have failed. Here the criterion of failure was whether the World Bank's own Operations and Evaluation Department was of the opinion that they had failed to meet their policy reform objectives in terms of trade liberalization, privatization, and so on. Objective outcome criteria, such as investment or export growth, were not used (Dollar and Svensson, 1998, p. 14).

<sup>10</sup> World Bank economists have attempted to explain cross-country differences in public policies, political stability and long-run economic growth by using a variable supposed to capture "ethnic diversity." This attempt has been criticized in detail by McIlwham (1998); some additional critical points are provided by Rodrik (1998, p. 19), whose equations suggest that "ethnic diversity may even be good for growth within Africa." Another problem said to constrain poor African countries is that "people are wedded to traditional ways of thinking" as opposed to the "scientific ways of thinking" that predominate in advanced societies (Stiglitz, 1998b, p. 6). Perhaps the Bank's econometricians will soon find a variable to proxy for such psychological defects, which will further improve their ability to account for cross-country differences in growth rates.

<sup>11</sup> Stiglitz (1998b, p. 19) endorses the static concept of "absorptive capacity."

resulted, by the early 1990s, in a fall in government employment both in absolute terms and relative to the population.

Following structural adjustment, there has been a marked decline in the ratio of civil servants to the population in all sub-Saharan African countries for which time series are available. By 1996, only 1 percent of the population were civil servants, which is considerably lower than in other developing countries, where nearly 3 percent of the population is employed by the government, or than in the OECD economies, where about 7 percent of the population is employed by the government. The real wages of civil servants have fallen dramatically since 1989 for the majority of poor African countries covered by the data, with well-documented and predictable effects on their morale and on efficiency in state institutions. Moreover, in several of those countries that experienced the strongest declines in average real wages in the civil service, this was associated with further decompression of upper-grade scales, encouraging the exit of the most highly qualified personnel. By late 1997, the IMF, whose programs have regularly included both targets for substantial reductions in the civil service wage bill and limits on the number of employees in the civil service, reached the surprising conclusion that “there is still scope for further downsizing” (Lienart and Modi, 1997, p. 32). The failure of econometric research to discern any significant relationship between central government employment and the size of the fiscal deficit has not tempered this enthusiasm for downsizing (Schiavo-Campo, Tommaso and Mukherjee, 1998).

While arguing how difficult, if not impossible, it would be for weak states in sub-Saharan Africa to intervene to pursue national industrialization strategies, the consensus has demanded that these same ineffectual states should attempt a range of other complex tasks, including the immediate and simultaneous implementation of fiscal discipline, financial deepening, privatization, good governance, democratization, and the liberalization of trade and capital flows. These inconsistent policy recommendations appear to rest on the belief that the abstract model of better functioning markets, of an undistorted market-oriented economic system is in some sense “natural” and, therefore, much easier to transplant into poor economies in sub-Saharan Africa than other systems, in which non-market institutions, such as powerful associations of producers, strong trade unions, as well as proactive military and state agencies have played such an important role. The assertion is that, in the absence of a long list of special, unusual, perhaps even one-off initial conditions, states in the 1990s would be well advised only to attempt what comes “naturally,” as if the evidence from the Soviet Union had not demonstrated the monumental difficulties of “big bang” or “shock therapy” attempts to establish a textbook market economy, in the absence of efforts to sustain powerful institutions to direct and regulate market forces (Chang, 1997; Nolan, 1996).

In his various writings, Stiglitz does list some mechanisms whereby the “capability” of states may be enhanced; his list is much more interesting for what it does not include, than for what it does. Most importantly, he does not recognize the

possibility of dynamic processes of “institutional learning” in poor economies (Chang, 1993, p. 154), nor of any scope in the medium-term in Africa for conscious efforts to import, modify and rapidly invent, and then re-invent, the institutions crucial for dynamic industrialization. The Bank’s case for defining a limited role for African states in the 1990s continues to rest on the assertion: “In other parts of the world, building effective bureaucracies has been a very slow process . . . requiring, quite possibly, decades or even generations to be institutionalized” (Brautigam, 1996, p. 101). The consensus, static view on African state (in)capacity still insists: “Institutions are not very plastic: they are the products of their environments and the negative impact of past distortions will persist” (Aron, 1997). However, there is a great deal of evidence, from Korea in the early 1960s and from Taiwan in the 1950s, that contradicts this view (Cheng, Haggard and Kang, 1996).

Stiglitz (1998b, p. 12) claims that in successful economies, intervention to inhibit particular imports was not significant. He (1988a, p. 8) also asserts, “Import substitution was a highly ineffective strategy for economic development.” However, the historical evidence does not provide strong support to these claims. In the successful east Asian economies, the long history of the protection from external competitors of new domestic industries producing for the home market is well-documented (Amsden, 1989; Shin, 1996). Amsden (1997, pp. 470–472) has also criticized consensus attempts to portray the results of state intervention to promote industrialization through protection and subsidies outside east Asia as a failure.<sup>12</sup> A strong case for selective state intervention in certain key import-substitution and export-oriented industries to achieve an accumulation of capabilities and know-how has recently been made for sub-Saharan Africa. The argument is that, as in east Asia, such interventions “will allow governments to learn how to design sectoral policies, to find out what incentives are effective and for what purpose . . . More sophisticated policies needed for promoting the next generation of industries can build on these experiences” (UNCTAD, 1998, p. 222). However, it appears that the key mechanism for learning-by-doing that has facilitated the transfer of technology in all late-industrializing economies is explicitly rejected in the post-Washington consensus.

In addition, the post-Washington consensus remains wedded to an analytical framework that ignores the specific role of the manufacturing sector in economic development. The new growth theory underpinning Stiglitz’s policy recommendations is essentially based on the old aggregate production function models of the 1950s and 1960s, to which have been added variables representing investment in education and R&D, and the assumption that there are increasing

<sup>12</sup> In common with many publications by economists working at the World Bank, Stiglitz’s work contains remarkably few references to any empirical or analytical work that has not been carried out by, or under the auspices of, the Washington institutions themselves. For some recent examples of the Bank’s surprisingly limited coverage of the available literature, see White and Bhatia (1998) and World Bank (1996).

returns to investment itself (Eatwell, 1994). No attempt has been made to come to grips with the conceptual limitations of aggregate production functions as tools for understanding the structural changes associated with growth (Harcourt, 1972), or with analyses that focus on the crucial role of the manufacturing sector as a source of dynamic increasing returns (McCombie and Thirwell, 1994, ch. 2). Thus, although Stiglitz (1998b, p. 12, 28) indicates that it may be desirable to develop sector-specific strategies (for the health care sector or agriculture), direct interventions to promote manufacturing, or the sub-sector specific industrialization strategies that he admits were followed in a number of successful late-industrializing economies, are not on the recommended policy agenda.

In the new post-Washington consensus, the only novel intervention recommended to facilitate technological transfer, adaptation and assimilation is supply-side support for tertiary education (Stiglitz, 1998a, p. 11). Unfortunately, even developing countries with high levels of scientific “knowledge” comparable to that of advanced countries “have not obeyed a Say’s Law: their supply of educated people has failed to generate demand necessary to employ it” (Amsden, 1997, p. 470). Stiglitz does not mention that many other policies have been required to create the industrial production capacity to absorb young, educated workers. For example, while he notes that successful economies have engaged in what he terms “mild financial restraint,” he fails to pay sufficient attention to the central policy role played by the preferential allocation of subsidized credit to selected manufacturing enterprises; these enterprises were identified in Korea, for example, at the sub-sectoral level by a highly interventionist industrial policy, supported both by state ownership of banks and mandatory deposits from financial institutions (Chang, 1993; Harris, 1987). The post-Washington consensus, like the old Washington consensus, retains a very limited conception of the role of the state in promoting growth in poor economies. The grudging and qualified tone of the recent critique is evident in the following speculative conclusion: “Perhaps had these (East Asian miracle) countries followed all of the dictums of liberalization and privatization, they would have grown even faster . . .” (Stiglitz, 1998b, p. 12).

Economists concerned with the low levels of investment in sub-Saharan Africa, and with the region’s fluctuating and inadequate capacity to import the capital goods and technology required to accelerate structural change, might be expected to argue for an expansion in the financial resources available to multilateral organizations such as the World Bank and the International Monetary Fund. It is obvious that the prospects for financing growth in sub-Saharan Africa from other sources, such as foreign direct investment, are not at all promising. However, many economists find it difficult to offer vocal support for the same Washington institutions which continue to have so weak an understanding of the real impact of their analyses and policies in sub-Saharan Africa.

## **Conclusion: “People-Friendly” Development versus “Tragic Optimism”**

It is possible to distinguish two competing methodological or theoretical perspectives on the process of change in sub-Saharan Africa. By far the most common perspective among development economists, and one which has surfaced strongly in the emerging post-Washington consensus, might best be labeled as a “people-friendly” development strategy (Sen, 1997). The argument is that there always is an “alternative,” viable development path. One can and always should choose, in whatever historical period, to promote a form of capitalist accumulation with a “human face;” a variant that does not involve bloodshed and brutality, that achieves human ends rather than a blinkered, irrational chase for capitalist profits. The tone of the argument is moralistic and its content ahistorical, insisting that in the 21st century we will always and everywhere be able voluntarily to opt for the motherhood of egalitarian welfarism, along with the apple pie of dynamic capitalist accumulation. Sen (1997, p. 20) has certainly been the most influential advocate of shifting the focus of development from a “‘hard’ view of development to a more ‘people-friendly’ approach,” but Stiglitz (1998b, p. 6) echoes Sen’s criticism of economists’ focus on means rather than human ends.<sup>13</sup>

The problem is that no convincing account of the political basis within Africa for the support of these alternative paths is provided. The required political support is simply assumed to be forthcoming—in all countries and all periods—merely in response to moral exhortation, to pleas for “justice,” “basic needs,” “grass-roots and community participation,” “ownership and consensus,” “fairness” and improved “governance.” These naïve assumptions concerning the efficacy of exhortation and of campaigns to diffuse the “knowledge” that has been accumulated in Washington are probably the root causes of subsequent outbursts of disappointment.

The alternative perspective, which has been called “tragic optimism,” insists upon complexity and ambiguity; as noted earlier, it requires us to hold two ideas in our heads at the same time. Tragic optimists begin with the unfashionable proposition that capitalist development is an uneven, crisis-prone and brutal process (Vogel, 1996; Warren, 1980). Their analysis is based on the recognition that sustained improvement in the conditions experienced by ordinary people usually does not occur “without dragging individuals and peoples through blood and dirt, through misery and degradation” (Marx, 1853, p. 137). When such progress in realizing human potential does begin to take place, as capitalism spreads to Asia, Latin America and to Africa, it is usually “sickening to human feeling”—likely to evoke feelings of nausea and disgust in those who observe the fitful, unstable and oppressive process.

<sup>13</sup> Some of Sen’s views on the ineffectiveness of growth as a means to achieving human ends are critically discussed in Sender and Nolan (1992). For a critical review of the econometric literature attempting to link growth to equality and democracy, see Cramer (1999).

But “tragic optimists” argue that these are not the only appropriate feelings, nor is nausea the only response that is relevant and justified. A coherent and by no means illogical response is to combine a more complex mix of attitudes; to adopt a perspective encapsulated in the phrase “tragic optimism.”<sup>14</sup> This perspective allows us at one and the same time explicitly to recognize the beneficial impact of a dynamic historical process—like declining under-five mortality rates, and the spread of new means of communication and organization—without ignoring the human costs, the brutal oppression that has also occurred. Vogel (1996, p. 55) argues that the “tragic optimist” or Marxist position is no less conflict-ridden and tension-filled than reality itself, but that it is not logically contradictory.

“Tragic optimists” have a much clearer idea than the “people-friendly” school of development about where to find and how to intervene to promote the organized domestic political support that might be capable of provoking progressive policy changes. Their optimism relies on a reasoned expectation that intervention by nationalist states in poor economies to promote capitalist industrialization and to nurture selected capitalists is possible, as demonstrated by the historical experience of east Asian and other “late-industrializing” economies (Amsden, 1997). Similar interventions to encourage directly the emerging national bourgeoisie have also achieved some success in sub-Saharan Africa (Sender and Smith, 1986), but they involve government policies to protect, subsidize and discipline domestic entrepreneurs that differ both qualitatively and quantitatively from the Washington or post-Washington consensus recommendation “to create an enabling environment for the private sector.”

More importantly, tragic optimists argue that if capitalist accumulation in poor countries becomes more dynamic, it can create the potential for organized and successful opposition to its own excesses and irrationalities. It is distressing that this potential for opposition is so far from being realized in many sub-Saharan African countries, but there are many more grounds for optimism than it is possible to outline here. Detailed micro evidence is now available concerning the real political possibilities for both urban and rural African wage workers to mount an organized defense against capitalist brutalities, to achieve some success in their struggles for new room for maneuver.<sup>15</sup> However, a quantitative assessment of this aspect of progress is beyond the scope of this paper.

<sup>14</sup> A clear recent account of this perspective is provided by Vogel (1996).

<sup>15</sup> For example, these possibilities have been studied in an urban context in an account that stresses the expansion of union power during the process of industrial restructuring in Nigeria. It is argued that, over the last two decades, trade unions in the leading manufacturing sector have been remarkably successful in defending workers’ interests and rights (Andr  and Beckman, 1998). In rural Africa, there has been huge expansion of wage labor since the 1950s, which will have increasingly profound effects on political economy and policy-making (Sender and Smith, 1990; Sender and Johnston, 1996; Standing, Sender and Weeks, 1996; Cramer and Pontara, 1998; Guyer, 1997).



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